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Testimony of  
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### **Aging Committee**

February 5, 2015

Senator Flexer, Representative Serra and esteemed members of the Aging Committee, my name is Deb Migneault and I am the Senior Policy Analyst for Connecticut's Legislative Commission on Aging. I thank you for this opportunity to comment on SB 705, SB 706, SB 707, HB 6394, HB 6395, HB 6396, HB 6397 today.

As you know, Connecticut's Legislative Commission on Aging is the non-partisan, public policy office of the General Assembly devoted to preparing Connecticut for a significantly changed demographic and enhancing the lives of the present and future generations of older adults. For more than twenty years, the Legislative Commission on Aging has served as an effective leader in statewide efforts to promote choice and dignity and to enhance the quality of life for Connecticut's older adults and persons with disabilities.

### **SB 705: An Act Concerning a Community Spouse's Allowable Assets**

#### **~ CT's Legislative Commission on Aging Supports**

CT's Legislative Commission on Aging's long held principle is to create a system ~ through a series of policies, programmatic and funding reforms ~ that allows people to receive services and support in the environment of their choice. We know that the predominate choice for older adults and persons with disabilities is the community.

At the same time, we know that people may choose or require nursing home care at some point in their lives. When this happens, often couples will be divided as one partner may need the type of services that an institution provides while the other one remains in the community. Clearly, we have an equal responsibility to the spouse living in the community. HB 5806 would help ease their financial challenges of the "Community Spouse".



Although Connecticut's cost of living is one of the highest in the country, our state utilizes the most restrictive option, and only permits the Community Spouse (of a person on Medicaid in the nursing home) the lesser of one half of the couples assets or \$117,240 but no less than \$23,449. Forcing a spend-down to the minimum amount of \$23,449 is in direct contradiction to the state and federal government's goals of helping keeping people in their homes as they age. This bill would allow the community spouse to retain the full maximum allowable amount of \$117,240. This would be consistent with other states such as Massachusetts, Vermont, Maine, California, Colorado, Arkansas, Hawaii, Illinois, Louisiana and Mississippi which provide the maximum community spouse protection amount.

Our 2009 study "Elders Living on the Edge: Toward Economic Security for Connecticut's Older Adults", conducted in partnership with the Permanent Commission on the Status of Women, illustrates that many of Connecticut's older adults who are predominately relying on Social Security fall short of economic security. This economic security issue is most severe for older adult women. The current and most restrictive rule disproportionately affects women who statistically outlive their spouses. Support of this bill would demonstrate the state's commitment to "aging-in-place" and community living.

In 2010, legislation was passed allowing the community spouse to keep the maximum protected amount. However, claiming budgetary issues, the legislation was later rescinded and returned to the federal minimum. Unfortunately, hard data is not available to ensure accuracy of the budgetary estimates and many believe that the budgetary assumptions did not take into account such variables as the longer-term costs of the community spouse spending down assets more quickly and potentially needing Medicaid assistance earlier. If we are not able at this time to provide the maximum amount allowed, we can certainly do better than the minimum.

### **SB 706: An Act Concerning Mandated Reporters of Elderly Abuse**

#### **~ CT's Legislative Commission on Aging Supports**

CT's Legislative Commission on Aging is thankful to the committee for raising this bill that adds Emergency Medical Technicians (EMT's) to the list of mandated reporters for elder abuse. As you know, in 2013, this committee introduced a bill that updated our mandated reporter statute to reflect the growing number of older adults remaining in their homes and communities as they age. We are grateful for the passage of that bill (PA 13-250) that was a recommendation of the 2013 Aging in Place Task Force, co-chaired by Representative Serra in 2013. Since the passage of PA 13-250, the Protective Services for the Elderly Program has reported an increased number of reports which implies that the legislation was both necessary and effective. EMT's were inadvertently not included in that 2013 legislation. Additionally, the Senior Safety Zone Task Force (SA 14-20) (of which our Commission was a member and also served as administrative staff) co-chaired by Senator Osten recommended the inclusion of EMT's in the mandated reporter statute. We are supportive of their inclusion and also of the other technical changes included in this bill.

## **HB 6394: An Act Increasing Funding for Elderly Nutrition**

### **~ CT's Legislative Commission on Aging Supports**

The Elderly Nutrition Program (ENP) is an important program in supporting older adults in the community. It provides adequate nutrition critical to health, quality of life and overall functioning to older adults via congregate meals and home-delivered meals statewide. In 2013-2014, over 1.4 million meals were home-delivered to over 5,200 clients of the Connecticut Home Care Program for Elders administered by the Department of Social Services.

Funding for the ENT program has been tenuous at best over the last several years which has forced elderly nutrition providers to utilize a variety of approaches in response such as – putting caps on the number of meals served at sites, closing sites one or two days a week and not offering home delivered meals on weekends. It is important to note that unfortunately, it is a difficult cycle (a conundrum) ~ when fewer meals are served statewide, less money comes in from the federal government (as the federal government reimburses the state based on the number of meals served).

Clearly, the demand for the ENP will increase in concert with the soaring population of older adults and the major movement to keep people in the homes and communities. Among other providers, the ENP received a 1% rate increase last year for those clients on the CT Home Care Program for Elders. However, according to the CT Association of Nutrition and Aging Service Providers, the program operated with a loss of more than \$800,000 statewide in FY '14.

In addition to providing a much needed rate increase to the nutrition program and in light of changing times and to maximize state and federal resources, the Legislative Commission on Aging strongly and respectfully recommends that the state assess all the food security programs in Connecticut and implement a modernization plan. This will be no easy task as the U.S government administers food-related programs by various agencies with different funding streams and requirements. Consequently, coordination is limited and states are challenged to address broad goals. In 2014, this committee raised an “aging in place” bill which later passed as PA 14-73 that encouraged this coordination by mandating the State Department on Aging to hold quarterly meetings with nutrition stakeholders. We are pleased with the State Department on Aging's work in this area and to be a part of this group. We look forward to working in partnership with the nutrition stakeholders across the state to identify ways to interconnected issues and improve the food security system ~ and to secure the future of the ENP.

## **HB 6395: An Act Establishing a Revolving Loan Fund to Assist Elderly Homeowners**

### **~ Connecticut's Legislative Commission on Aging Supports**

As you know, Property taxes are the principle source of revenue for local governments in Connecticut. In response to the state's high property taxes, several property tax relief programs exist for older adults, people with disabilities and other constituencies. These are offered at the state and local levels. At the local level, there is significant variation on which programs are offered, how those programs are implemented, and the extent to which town residents participate in them.

Our interest in the various property tax relief programs for older adults stems from several realities—older adults are living longer, overwhelmingly want to stay in their homes and communities as they grow older, and are increasingly at risk for outliving their financial resources. At the same time we recognize that economic security can challenge Connecticut residents at any age, resulting in the need for robust need-based programs at the forefront of property tax relief.

Last month we, at the Legislative Commission on Aging, released our Property Tax Relief Report which discusses the local property tax system, outlines the various property tax relief programs available, and presents both aggregate and town-by-town data on local property tax relief programs in Connecticut (collected by our office through our 2014 property tax survey and analysis). It also outlines policy recommendations to ensure that property tax relief programs best meet the needs of Connecticut residents. Similarly, our understanding of this legislation, which established a revolving loan proposal, would simply provide another option to help homeowners “age in place” and ideally target those of greatest need and modest means.

#### **HB 6396: An Act Concerning an Income Tax Deduction for Long-Term Care Insurance Premiums**

##### **~ CT’s Legislative Commission on Aging Informs**

This bill will provide a state income tax deduction for premiums paid for long-term care insurance policies. It is in the state’s best interest to encourage and incent residents to plan for their long-term services and supports (LTSS) needs. Data show that 1/3 of CT residents have NO PLAN on how they will pay for their long-term services and supports as they age. Over 50% of people over the age of 60 erroneously believe that Medicare will pay for the LTSS needs. The lack of Medicare and private health insurance coverage for long-term services has created a LTSS system that is overly reliant on Medicaid.

Long-term care insurance policies are an effective and important way for some people to plan for their future needs. These policies allow people to receive services and supports in the environment of their choice and protect them from spending all of their assets in order to qualify for Medicaid. (Medicaid LTSS represents approximately 13% of the state budget and 42% of the overall Medicaid budget.) Providing various tax incentives for the purchase of long-term care insurance is a recommendation of four major reports – Connecticut’s 2013 Long-Term Services and Supports Plan, the Aging in Place Task Force (SA 12-6) and the Task Force on Alzheimer’s Disease and Dementia (SA 13-11).

The state should make every effort to balance the ratio of public and private resources on long term services and supports. Creating tax incentives like the one proposed in this bill may help to do this.

#### **HB 6397: An Act Concerning Retroactive Medicaid for Home-Care Clients**

##### **~ CT’s Legislative Commission on Aging Informs**

Currently, Connecticut’s system for retroactive payment for services incurred since initial application to Medicaid is not the same across the continuum of care. If a person goes into a

nursing home they (obviously) receive nursing home care while they apply for Medicaid. Once they are deemed eligible for Medicaid, the nursing facility is retroactively paid for services from the date of application. However, if the person is living in the community and applies for Medicaid, the person either doesn't receive any services while waiting, or if they do receive services they are not retroactively paid for the expenses incurred while they waiting for eligibility determination. We are supportive of proposals that create parity between home and community services and supports and institutional care.

The underlying issue is the length of time that a person waits for eligibility determination. While reports are that there has been some improvement in this area due to various strategies employed by the Department of Social Services (which administers Medicaid, including the CT Home Care Program for Elders) applicants still wait MONTHS for Medicaid determination. Older adults who should be eligible for home and community based services through the Connecticut Home Care Program for Elders Waiver Program are not receiving services due to the significant delays in processing their Medicaid applications. These are individuals who are at risk of nursing home placement, but who apply to receive the waiver services in their home and community. Currently these individuals are assessed by the access agencies and deemed eligible to receive services, but their financial eligibility needs to be processed. The delay in processing the applications – it can take up to 6 months - is causing harmful delays in their receiving needed services. Redeterminations are not being processed in a timely manner causing unnecessary cut off in benefits – with excessive delays in reinstatement. The consequences can be devastating and include: preventable institutionalization, caregiver burn-out/family strife, avoidable hospitalization. It is also important to note that these delays are problematic in other home and community based waivers as well. Additionally, during the delayed Medicaid eligibility determination processes, nursing home providers do provide the care but are not being compensated by the state. They incur millions in dollars of costs that are putting these providers in a precarious cash flow position.

**We recommend the following proposals to help with access to home and community based services for older adults and persons with disabilities.**

- Create a system of providing presumptive eligibility in the Connecticut Home Care Program for Elders and other home and community-based waivers so that needed services can be provided without harmful delay.
- In concert with establishing presumptive eligibility, create a system of providing advanced payments to both nursing facility and community based providers who are caring for people with excessive pending Medicaid applications (until such time as the long term Medicaid eligibility process is improved).

***Thank you again for this opportunity to comment. As always, please contact us with any questions. It's our pleasure to work with you and serve as an objective, nonpartisan resource to you.***